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Bolero meets eUCP compliance standards

Bank-backed trade finance portal bolero.net says it will be ready to adopt the ICC's (International Chamber of Commerce) new rules for presenting documentary credits online, when they come into force on 1 April, 2002.

For the past sixty years, the ICC has issues guidelines (UCP 500) on the use of documentary credits for trade finance - whereby a bank commits to make a payment to a seller on a buyer's behalf. This is normally subject to the seller submitting documents that prove that the goods have been dispatched.

The new ICC supplement will enable documentary credits to be presented online, under eUCP rules.

Over the past few months, a bolero.net banking committee including representatives from BNP Paribas, Commerzbank, Citibank and HSBC has worked on ensuring that bolero.net messaging conforms to the twelve articles contained within eUCP.

According to BNP Paribas' Raanan Barzel the core requirement of eUCP or document authentication would require each trading party around the world to manage and access potentially all the world's certification authorities. "This would be impractical," he states. "The only way to proceed is via a trust broker's central hub. Bolero.net is a prime candidate for this function."